

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Statement of CIA Objectives and Principles

DD/A Registry

94-0217/15

FROM:

R. E. Hineman
DD/S&T
6E56 Hqs

EXTENSION

NO.

DATE

16 February 1984

STAT

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

DDA

2-16-84

J

2.

DDCI

3.

DCI

4.

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

FORM
1-79

610

USE PREVIOUS
EDITIONS

DD/S&T-132-84

16 February 1984

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Executive Director

SUBJECT: Statement of CIA Objectives and Principles

1. Your challenge to us in your 24 January speech has already had some meaningful effects. While at first there was some skepticism, and I am sure we will see additional skepticism downstream, your expressed desire to make this Agency and its people even better than they are today is having a positive reaction on the morale of the organization. As you suggested, I let each of my office directors attack the problem in his own desired manner. Some followed organizational lines in discussing and rewriting your strawman statement, others went along task force routes, and one or two operated with only small numbers of individuals. All methods seemed to produce meaningful dialogue and some good ideas. Jim and I have taken the different inputs that we received and have put together the attached statement of how CIA objectives and principles are seen at the S&T Directorate level. I have also attached portions of Bob Kohler's statement of Agency objectives which includes five very interesting fundamental principles worthy of your attention.

2. As the rewritten statements came back to me they were accompanied by various inputs, some of which I think are worthy of passing along.

a. There is concern about how the CIA budget is prepared. It is very difficult to have some "do it, fix it, try it" in the Agency when several staffs must consider any new budget item regardless of cost. In this connection it is significant to note that only a very small number of employees have originated many of our new programs or activities. While it is true that in any organization only a few people will come up with most of the ideas, the bureaucratic nature of our organization has had a stifling effect on personal initiative. With this as the background, two suggestions were made for your consideration. ✓

(1) That you as the DCI take back from the Directorates a small number of positions and a modest amount of funds for supporting new initiatives aimed at attacking foreign intelligence problems. This "pool" would be totally separate from the Director's reserve for contingencies and could be more flexibly applied because OMB and



ADMINISTRATIVE - INTERNAL USE ONLY

Congressional briefings would not be required and, more importantly, personnel positions to implement the activity could readily be made available. I stress foreign intelligence because no pool is large enough to satisfy covert action initiatives which because of Congressional sensitivities should properly be considered separately within the normal budget process.

(2) That you organize small, "go do it" task forces to deal with what you view as critical areas and that you provide from your "pool" the positions and funds for the task forces. The task forces could then take on the qualities of "get it done" rather than those of a staff which produces papers which only another staff can read.

b. While we recognize that the Agency's employees are our most important asset and that they should be properly rewarded for their efforts, we tend to put obstacles in the way of those who try to reward their employees. For example, in order to award a Quality Step Increase the approval of a Deputy Director and the Director of Personnel is required regardless of the level of the individual being recognized. This consumes a vast amount of unnecessary paperwork, wastes time and results in rewarding an outstanding piece of work many months after that work has been completed. We need to build a system where we can provide rewards at lower levels, almost on-the-spot, for outstanding pieces of work. Immediate supervisors in many companies have the authority to hand out a cash award of \$200 - \$250 for unusual performance. I would like to see something like that instituted in our Agency. I would be more than happy to allocate some money at the beginning of the year to my office directors so that they could further allocate these funds for this purpose. I am sure that we have a lot of regulations that say that we cannot do this, but I think we should strive to write some implementing directives.

c. Our managers should be given authority to specify the appropriate grade levels for new positions in their organization rather than having to wait for months for PMCD (because they are short-handed) to evaluate the new positions. Many deserving individuals today cannot be promoted because the positions that they are working in have not been assigned specific grades. This, of course, is due to the fact that we are presently in a growth mode.

3. The above suggestions are just a few of the items that we could look at and possibly change if the employees are to understand that we have a flexible organization which is striving for excellence.

4. There are a number of things which we in S&T need to do if we are to continue to hire and retain the quality of individuals that we have in our organization. We have been coming up with some off-the-wall ideas during the past two or three weeks and I intend before too much time goes by to implement some of the worthy ideas in order to get everyone to participate in the management of our Directorate.

5. In summary, I perceive our people are eager to have a statement of Agency purpose and principles. They are generally optimistic and have good expectations about the Agency's work. There is, however, a definite feeling that as an Agency, we are beginning to suffer from bureaucratic hardening of the arteries. For example, we have just reviewed our budget base with our office directors identifying the lowest 3-5% of our activities. There were almost no cancellations of things we are currently doing. I believe this is not just a DS&T phenomenon. Unlike industry there is no incentive in government for a program manager to end a marginally "profitable" operation. If this general perception is true, the problem should be high on the list for management attention throughout the Agency.

STAT



R. E. Hineman

Attachments

PURPOSES-GOALS-PRINCIPLES
OF THE
CENTRAL INTELLIGENCE AGENCY

Introduction

The CIA was chartered by the National Security Act of 1947. We have operated for more than 35 years under that Act, as amended. We perform two fundamental functions in the service of national security: production of all source intelligence and the conduct of special activities. The customers for these services are the departments and agencies of the U.S. Government charged with maintaining the security of the United States. To accomplish our mission we conduct worldwide operations interconnected by modern communications and maintained by a wide variety of support activities. We also maintain a broad competent staff of professional experts in our corporate headquarters in the United States on many subjects covering all nations of the world.

Purposes

The purposes of the Central Intelligence Agency are to provide a broad variety of information on matters concerning the security of the U.S. to the various departments and agencies responsible for corresponding national interests including defense, foreign relations, international economics, foreign commerce, and nuclear proliferation; and to conduct special activities in support of the vital interests of the U.S. as directed by the National Security Council.

Goals

- o To become the world's most effective intelligence organization in collection, processing, analysis and production of national security information, and in the efficiency and effectiveness of special activities conducted in the interests of national security.
- o To satisfy effectively the information needs of all of our customers as their needs currently exist and as they may change with changing conditions, worldwide.
- o To lead the Intelligence Community in the quality and timeliness of its intelligence products and services.

Principles

1. The people of CIA are its most valued asset. CIA seeks to recruit, develop, motivate, reward and retain the best people. It is committed to providing equal employment opportunities and to supporting its personnel in all aspects of their jobs. Employees of CIA will:

- o have the opportunity to use their talents to the fullest in work that provides challenge, responsibility, and the freedom to innovate;
- o have comprehensive training support to do their jobs effectively during all stages of their careers;
- o be rewarded fairly and objectively, based on merit, for their contributions, irrespective of position or stage of career development;
- o participate in significant ways in all decisions that directly affect their jobs or working environment;
- o be expected to perform their work with skill, to anticipate problems, to search for new and better ways to do their jobs, and to adapt to new challenges and a changing environment; and
- o act in a manner consistent with good security practices.

2. All of the activities of the CIA shall be conducted under the Constitution and laws of the United States. The intelligence produced by the CIA will be balanced, objective and based on factual information derived from all available sources. CIA employees will conduct themselves in their daily work within the Intelligence Community with professional integrity and fairness; they will be mindful that any of their actions may reflect on the Agency and its mission.

3. Management of the CIA is based on anticipating national security problems and their associated intelligence requirements. It actively seeks new and improved ways of collecting, processing and analyzing information from many different sources, using advanced technology to maximum effectiveness. It is dedicated to fostering initiative and providing an environment in which innovation and creativity are encouraged.

4. CIA's value and performance are measured in direct proportion to the usefulness of its services to its customers. The usefulness of CIA's services, in turn, are principally measured by the timeliness, completeness and accuracy of its intelligence products and by the effectiveness of its special activities.

Attachment

CENTRAL INTELLIGENCE AGENCY

Statement of Objectives

The achievements of the CIA are the result of the combined efforts of each individual in the organization working toward common objectives. These objectives should be realistic, should be clearly understood and should reflect the Agency's basic character and personality.

If an organization is to fulfill its objectives, it should strive to meet certain fundamental principles:

- First, the most capable person available should be selected for each assignment within the CIA. Moreover, everyone should have the opportunity--through training and job experience--to enhance their skills and capabilities. This is especially important in the intelligence business, where the rate of change is very rapid. Techniques that are good today may be outdated in the future, and people throughout the organization should continually be looking for new and better ways to accomplish their tasks.
- Second, every member of the CIA must strive to achieve excellence in everything he or she does. The reputation of this Agency is built on the excellence of its staff, its work and its products. Excellence must become a way of life to all members of the CIA.
- Third, enthusiasm should exist at all levels. People in management positions should not only be enthusiastic themselves but must engender enthusiasm among their associates. There can be no place, especially among those charged with management responsibility, for half-hearted interest or half-hearted effort.
- Fourth, we must strive to manage all our efforts well. We cannot achieve "excellence in all we do" without achieving excellence in managing. It is the fundamental responsibility of all in the organization to recognize this important fact. It is also important that all managers in the organization develop new managers. It should be the goal of all managers to be actively developing successors for themselves.
- Fifth, all levels should work in unison toward common objectives and avoid working at cross-purposes. Only in this way will the ultimate in efficiency and achievement be obtained.

Page 1

ADMINISTRATIVE - INTERNAL USE ONLY

ADMINISTRATIVE - INTERNAL USE ONLY

It is my philosophy to avoid a tight military-type organizational structure, but rather to have overall organizational objectives which are clearly stated and agreed to, and to give individuals the freedom to work toward their objectives in a way they determine best for their own area of responsibility. It is the purpose of this set of CIA objectives to assist all employees in making decisions that affect both CIA's interest and your future.

ADMINISTRATIVE - INTERNAL USE ONLY